

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 30, 2008

Chris Faulhaber Granite Construction Company P. O. Box 30429 Salt Lake City, Utah 84130

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Granite

Construction, Morgan Aggregate Facility, S0290007, Task 2613, Morgan County, Utah

Dear Mr. Faulhaber:

The Notice of Intent to Commence Small Mining Operations (NOI), received by the Division September 2, 2008, and supplemented with information received September 10, 2008 concerning the Morgan Aggregate Facility is incomplete. The following information is required:

Please include a scale and a north arrow on the facilities map.

Based on the maps provided, it is impossible to verify that the legal description listed in the text of the NOI is correct. It is possible the proposed disturbed area extends into the SW¼ of Section 30. Please confirm that the legal description is accurate.

The R647 rules do not require disturbed areas to be marked in the field, but the Division strongly recommends it, especially in this case where your proposed operation is immediately adjacent to another mine.

The Division has determined the reclamation surety amount to be \$21,900.00 if escalated through 2011 (3 years) or \$24,000.00 if escalated through 2013 (5 years). This is based on the following:

Three Years

First acre

\$6300.00

Four additional acres @ \$3900.00

\$15,600.00

Total

\$21,900.00



Page 2 Chris Faulhaber S/029/0007 September 30, 2008

Five Years

First acre \$6800.00 Four additional acres @ \$4300.00 \$17,200.00 Total \$24,000.00

The advantage to having the larger surety is that it will not be escalated for five years. If the surety is only escalated through 2011, it will need to be adjusted at that time.

The surety can be submitted in the form of cash, a certificate of deposit, a letter of credit, or a corporate surety. Please contact Penny Berry for information about submitting the surety and associated reclamation contract. She can be reached at 801-538-5291 or by e mail at bondcoordinator@utah.gov.

Questions about this letter should be directed to Paul Baker at 801-538-5261. Thank you for your cooperation. In reply, <u>please refer to file number S0290007</u>. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

2 B (L